

Budget Speech 2011, 2012 & 2013 Quick Reference Summary Table (TAX)

TAX YEAR	2011	2012	2013
SITE limit	Only > 65 years : R540pa R45pm R60 000.00 x 18% = R10 800 <u><65</u> R10 800 – 10260 (rebate) = R540 pa <u>=>65</u> R10 800 – R15 935 = -ve (no site)	Only for > 65 years : R540pa R45pm R60 000.00 x 18% = R10 800 <u><65</u> R10 800 – 10 755 (rebate) = R45 pa <u>=>65</u> R10 800 – R16 767 = -ve (no site)	Only for > 65 years : R60 000.00 x 18% = R10 800 <u><65</u> R10 800 – 11 440 (rebate) = -ve (no site) <u>=>65</u> R10 800 – R16 767 = -ve (no site)
Tax Rebates	< 65 : R 10 260 =<65: +R 5 675 (15 935)	< 65 : R 10 755 =<65: +R 6 012 (16 767) =<75: +R 2 000 (18 767)	< 65 : R 11 440 =<65: +R 6 390 (17 830) =<75: +R 2 130 (19 960)
Tax Threshold	< 65 : R 57 000 =<65 : R 88 528 No Tax if earnings: <65 : < R57000 pa R4750 pm =>65 : < R88528 pa R7377.33 pm	< 65 : R 59 750 =<65: R 93 150 =<75 : R104 261 No Tax if earnings: (rebate/18*100) <65 : < R59 750 pa R4979.16 pm =>65: < R93 150 pa R7 762.50.41 pm	< 65 : R 63 556 =<65: R 99 056 =<75 : R110 889 No Tax if earnings: (rebate/18*100) <65 : < R 63 555 pa 5 296.30 pm =>65: < R 99 085.56 pa R8 254.62 pm =>75: < R110 888.88pa R9 240.74pm
Tax Tables	Up to R140 00.00 : 18% 140 000 - 221 00 : 25 200 + 25% > 140 000 221 001 – 305 000 : 45 450 + 30% 305 001 – 431 000 : 70 650 + 35% 431 001 – 552 000 : 114 750 + 38% 552 001 and above : 160 730 + 40%	Up to R150 00.00 : 18% 150 000 - 235 00 : 27 000 + 25% > 150 000 235 001 – 325 000 : 48 250 + 30% 325 001 – 455 000 : 75 250 + 35% 455 001 – 580 000 : 120 750 + 38% 580 001 and above : 1 68 250 + 40%	Up to R160 00.00 : 18% 160 000 - 250 00 : 28 800 + 25% > 160 000 250 001 – 346 000 : 51 300 + 30% 346 001 – 484 000 : 80 100 + 35% 484 001 – 617 000 : 128 400 + 38% 617 001 and above : 178 940 + 40%
Medical Aid Contr	7.5% Medical Capped: R670 Member R670 First Dep R410 Second Dep	7.5% Medical Capped: R720 Member R720 First Dep R440 Second Dep =>65 yrs : Co contr Non Taxable =>65 yrs : abatement of actual/deemed EE contr	7.5% Medical Credits: R230 Member R230 First Dep R154 Subsequent Dep Co Contr = Taxable if still working =>65 yrs : abatement of actual/deemed EE contr
Travel Tables	New Tables	New Tables	New Tables
Travel Allowance	80% Taxable wrt PAYE	80% Taxable wrt PAYE 20% if more than 80% of Kms is business travel	80% Taxable wrt PAYE 20% if more than 80% of Kms is business travel
Travel Re-Imbursive	Deemed private 18000 Km, business 14000 Car value capped at R400 000 Non-taxable re-imbursive Travel : - must not exceed 8000km/a - must not exceed R2.92 /pm	Deemed private 18000 km, business 14000 km Car value capped at R480 000 Non-taxable re-imbursive Travel : - must not exceed 8000km/a - must not exceed R3.05 /km	Taxed at 80%. (unless 80% of mileage is for business purposes, then 20% - Log book Required) <i>Regardless of the value of the vehicle</i> Non-taxable re-imbursive Travel : - must not exceed 8000km/a - must not exceed R3.16 /km - must not receive a Travel Allow or other re-imbursment
Subsistence	SA only: Meals & Incidental Costs : R276 pd Incidental costs only : R 85 pd Outside the Republic : Rates from SARS website	SA only: Meals & Incidental Costs : R286 pd Incidental costs only : R 88 pd Outside the Republic : Rates from SARS website	SA only: Meals & Incidental Costs : R303 pd Incidental costs only : R 93 pd Outside the Republic : Rates from SARS website
Company Car	Taxable FB is 2.5% of cash cost excl. VAT 2 nd car or vehicle, 2.5% on the vehicle with highest value, then 4% on next vehicle If Employee pays all fuel then reduce % by 0.22% If ee pays all maintenance costs, reduce by 0.18%	Taxable FB is 3.5% of cash cost incl. VAT 2 nd car or vehicle, 3.5% pm If maintenance plan – then 3.25% ie reduce by 0.25% 80% or 20% depending on Business Kms ie 80% or more is business	Taxable FB is 3.5% of cash cost incl. VAT 2 nd car or vehicle, 3.5% pm If maintenance plan – then 3.25% ie reduce by 0.25% 80% or 20% depending on Business Kms ie 80% or more is business
Pension Allowable Abatement	7.5% of RFI or R3 500	7.5% of RFI or R3 500	7.5% of RFI or R3 500
RA Allowable Abatement	15% of NRFI or R3 500 less Allowable Pension Contr R1 750	15% of NRFI or R3 500 less Allowable Pension Contr R1 750	15% of NRFI or R3 500 less Allowable Pension Contr R1 750
Arrear	R1800	R1800	R1800

TAX YEAR	2011	2012	2013
Pens & RA contr			
Interest & dividends	< 65 : R22 300 <=65 : R32 000	< 65 : R22 800 <=65 : R33 000	< 65 : R22 800 <=65 : R33 000
Foreign Interest	Foreign div & interest exempt up to : R3 700	Foreign div & interest exempt up to : R3 700	Foreign div & interest exempt up to : R3 700
Income Protection	Reduces Taxable earnings	Reduces Taxable earnings	Reduces Taxable earnings
Tax on Retirement Lumpsum B	Please see SARS Budget Notes for tax rates on Lumpsum Retirement payouts	Please see SARS Budget Notes for tax rates on Lumpsum Retirement payouts	Please see SARS Budget Notes for tax rates on Lumpsum Retirement payouts
Capital Gains exclusion	Exclusions: - Individuals R17 500 annual exclusion for individuals & special trusts - Individuals, in year of death, R120 000 - R1.5m gain/loss on disposal of primary residence for amt up to R2m Taxable amt of Net Capital gains is: 10% Individual 14% Company 20% Trust See details below this table	Exclusions: - Individuals R20 000 annual exclusion for individuals & special trusts - Individuals, in year of death, R200 000 - R1.5m gain/loss on disposal of primary residence for amt up to R2m Taxable amt of Net Capital gains is: 10% Individual 14% Company 20% Trust See details below this table	Exclusions: - Individuals R20 000 annual exclusion for individuals & special trusts - Individuals, in year of death, R200 000 - R1.5m gain/loss on disposal of primary residence for amt up to R2m Taxable amt of Net Capital gains is: 10% Individual 14% Company 20% Trust See details below this table
Donations	Donations tax 20% of value of property donated First R100 000 donated is tax free Donations between spouses is tax free	Donations tax 20% of value of property donated First R100 000 donated is tax free Donations between spouses is tax free	Donations tax 20% of value of property donated First R100 000 donated is tax free Donations between spouses is tax free
Retrench Payout	First R30 000 exempt from tax	First R30 000 exempt from tax	First R30 000 exempt from tax
Transfer Duty	500 001 – 1 000 000 : 5% > 1 000 000 : 8%	0 – 600 000 : 0% 600 001–1 mill : 3% of value above 600 000 R1 mill – 1.5 mill ; R12 000 + 5% over R1 mil > 1.5 mil : R37 000 + 8% value > R1.5 mill	0 – 600 000 : 0% 600 001–1 mill : 3% of value above 600 000 R1 mill – 1.5 mill ; R12 000 + 5% over R1 mil > 1.5 mil : R37 000 + 8% value > R1.5 mill
Personal Services	33%	33%	33%
Trusts	40%		
Proposals	Site to be abolished Increased FB on Co Cars Def Comp and Co Paid Life insurance to be taxed	- Conversion of Medical Tax deductions to tax credits - ER Contr to Pen/Prov/RA as Tax FB & Deduct up to 22.5% of taxable income for contributions with min R12000pa & max R200 000pa - Site to be abolished - Def Comp and Co Paid Life insurance to be taxed - National Health – payroll tax, VAT & PAYE - Dividends tax - Youth employment subsidy for tax credit	- Conversion of Medical Tax deductions to tax credits (implemented) - Def Comp and Co Paid Life insurance to be taxed (implemented) - ER Contr to Pen/Prov/RA as Tax FB & Deduct up to 22.5% of taxable income for contributions with min R12000pa & max R200 000pa - Site to be abolished - National Health – payroll tax, VAT & PAYE - Dividends tax - Youth employment subsidy for tax credit

SITE CALCULATION (ie to determine the SITE limit) 2006/2007

60 000 (threshold) x 18% = x

Annual Site on <65 = x – primary rebate (rebate for the current tax year)

Annual Site on >65 = x – primary rebate – additional rebate

Annual site / 12 = monthly SITE limit

SITE CALCULATION (ie to determine the SITE limit) 2010/2011

60 000 (threshold) x 18% = x

Annual Site on <65 = x – primary rebate (rebate for the current tax year)

Annual Site on >65 = x – primary rebate – additional rebate

Annual site / 12 = monthly SITE limit

Calculate earnings where no tax is payable

Rebate / 18 *100 ie where the rebate amount is 18% of 'what value'* (where the 'what value' is the earnings limit being calculated.

Calc of Tax on Capital Gains:

This is what should have when a taxpayer enters the amount of R150 000 as total capital gain for the year, the calculator has to deduct the R10 000 (which it does) **but does not calculate the 25% which is taxable.** See printouts attached.

Cost	R250 000
Less: Base Cost	<u>R100 000</u>
Total capital gain	R150 000
Less: Annual exclusion	<u>R 10 000</u>
Net capital gain	<u>R140 000</u>
Inclusive rate	25%
Taxable capital gain	R35 000

**Travel Expense –2011/2012 tax year
 ???add new table**

Travel Expense –2011/2012 tax year

Value of the vehicle (including VAT) (R)	Fixed cost (R p.a.)	Fuel cost (c/km)	Maintenance cost (c/km)
0 - 60 000	19 492	64.6	26.4
60 001 - 120 000	38 726	68.0	29.2
120 001 - 180 000	52 594	71.3	31.9
180 001 - 240 000	66 440	77.7	35.0
240 001 - 300 000	79 185	87.0	44.7
300 001 - 360 000	91 873	93.9	54.2
360 001 - 420 000	105 809	100.9	65.8
420 001 - 480 000	119 683	113.1	67.6
exceeding 480 000	119 683	113.1	67.6

Travel Expense –2010/2011 tax year

Travelling allowance			
Rates per kilometre which may be used in determining the allowable deduction for business-travel, where no records of actual costs are kept are determined by using the following table.			
VALUE OF THE VEHICLE (including VAT) (R)	FIXED COST (R p.a.)	FUEL COST (c/km)	MAINTENANCE COST (c/km)
0 - 40 000	14 672	58.6	21.7
40 001 - 80 000	29 106	58.6	21.7
80 001 - 120 000	39 928	62.5	24.2
120 001 - 160 000	50 749	68.6	28.0
160 001 - 200 000	63 424	68.8	41.1
200 001 - 240 000	76 041	81.5	46.4
240 001 - 280 000	86 211	81.5	46.4
280 001 - 320 000	96 260	85.7	49.4
320 001 - 360 000	106 367	94.6	56.2
360 001 - 400 000	116 012	110.3	75.2
exceeding 400 000	116 012	110.3	75.2

Note:
 The fixed cost must be reduced on a pro-rata basis if the vehicle is used for business purposes for less than a full year.

QUICK REFERENCE TABLE : REMUNERATION , UIF, SDL, OIDA

	OID	UIF	SDL
March 2008 : BCEA earnings threshold R149 736/annum. effective 1 March 2008	March (April) 2010 R261 893 annual limit March 2009 R239 172 annual limit March 2011 R277 860 March 2012 to R 292 031	Ceiling changed March 2008: PER ANNUM: 149,736.00 PER MONTH: 12,478.00 PER WEEK: 2,879.53 2011 Monthly R12 478	na
Rate	Differs per industry	2%	1%
Paid by	ER	1% ER & 1% EE	ER
Comments	Earnings over the limit are excluded, earnings within limit are included	From 03/2002 : Everyone must contribute	Company exempt if Remuneration is less than R500 000 ie not liable for SDL.
FOURTH SCHEDULE DIRECTORS	√	Yes / Gross Income	Yes / Net Taxable Income
Abatements (taxable deductions) - Take allowable Pension and RA into account	NO / Gross Earnings	NO / Gross Earnings	YES (deduct from taxable earnings)
LISTED INCLUSIONS	<i>All REGULAR payments ie:</i> Salaries/Wages Commission Value of Food & Quarters Incentive Bonuses Bonus wrt service contract eg Annual & 13 th Cheque Regular Overtime Regular allowances eg Travel	Fourth Schedule excluding as below	Fourth Schedule Excluding as below
LISTED EXCLUSIONS	<ul style="list-style-type: none"> ▪ Re-imbursive Travel, Subsistence & other expenses ▪ Occasional Overtime ▪ Ex-gratia payment ▪ Co contr to MA, Pen & Prov (incl Taxable portion) ▪ Payments for non-recurring tasks 	<ul style="list-style-type: none"> ▪ Commission ▪ Restraint of Trade ▪ Retrench payouts ▪ Annuity or Pension ▪ SuperAnnuation Allowance ▪ Retirement Allowance ▪ 50% of HOPO ▪ Taxable Portion of Travel Allowance <p>Independent Contractors are excluded.</p>	EMP10 volume 42: Payments ito: <ul style="list-style-type: none"> ▪ Lumpsum from Pension, ▪ Provident Superannuation ▪ RAs ▪ Retrenchment payout ▪ Payment to a learner.
CASH	√	√	√
Occasional earnings: Bonus Commission etc	Overtime if Regular (package) Commission Bonuses	Taxable excluding: <ul style="list-style-type: none"> ▪ Commission ▪ Restraint of Trade ▪ Retrench payouts ▪ Annuity or Pension 	Taxable excluding: <ul style="list-style-type: none"> ▪ Lumpsum from Pension, ▪ Provident Superannuation ▪ RAs ▪ Retrenchment payout ▪ Payment to a learner
Allowances:	If part of package Exclude re-imbursive Taxable	Taxable portion of Travel Allowance	Taxable value
Fringe Benefits	Taxable (excl MA)	Taxable Value	Taxable Value
ER Contr to MA, Pen, Prov	No / Excluded	Taxable Value	Taxable value
Re-imbursive monies	No	No	No
	Person employed by state for military service, permanent force, SA Police force Domestic servant in private household Director on profit share	Don't include on file: Co's & Trusts Independent contractors Include on file: Temp ee's Learners as per SDL Commission only ees EE's with no taxable income (removed in 2005 - Seasonal workers)	Learners Public Service Employers Not registered for PAYE and Annual Remuneration < R500 000 Religious & Charitable orgs registered ito Sect 10(1) of Income Tax Act Municipalities or Local Govern with exemption certificates Contractors
Remuneration on Return		Total Remuneration (not limited to threshold)	Gross Remuneration – less exclusions

EARNINGS (Taxable portion only)	Tax	OID	UIF	SDL
Basic (Backpay & Advance)		√	√	√
Public Holiday		√	√	√
Leave Pay (Wages)		√	√	√
Overtime		√ (if regular) X (occass)	√	√
Amount payable to a Learner				X excluded
Occasional Income				
Arbitration Awards		X	√	X Permissible Excl
Bonus		√	√	√
Commission		√	X excluded	√
Leave/Resignation Payout		X	√	X Permissible Excl
Relocation Costs		X	X	X Permissible Excl
Retrenchment/Retirement		X	X	X Permissible Excl
Restraint of Trade Payments		X	X	X Permissible Excl
Pensions, superannuation allowance or retiring allowance			X excluded	X excluded
Lumpsum Benefits from Retirement & Pensions funds			X excluded	X excluded
Allowance		If part of package/Taxable	TAXABLE	TAXABLE
Car / Travel Allowance		√ (if part of package	√	√
Reimbursive Travel		X	X	X
Cell Phone		√ (if part of package)	√	√
Uniform		√ (if part of package)	√	X (Taxable)
HOPO		√ (if part of package)	√	√ (Taxable)
Subsistence		X	X	X
Other Allowances (includes: Tools, Transport, Shift allowances, Attendance, Food and Car/Travel)		√ (if part of package)	√	√
'Other' Income		√ (if paid regularly)	√	√
Other Re-imbursive amounts		X (if taxable)	X (if taxable)	X
Fringe Benefits		If part of package/Taxable	"Taxable"	"Taxable"
Cell Phone		√	√	√
Meals		√	√	√
Residential Accommodation		√	√	√
Free or Cheap services		√	√	√
Loan Subsidy		X	√	√
Payment of EE debt		X	√	√
'Other'		√	√	√
MA taxable portion		X	√	√ (excluded if > 65)
Pension – EE		N/a	N/a	√ Permissible Excl
Provident – EE		N/a	N/a	√ Permissible Excl
RA		N/a	N/a	√ Permissible Excl
Types of Employees	Directive takes Priority			
Directors		?	√	√
Partners / Sole Owners		X		√
Members of CC	Tax Tables	?	√	√
Permanent EEs	Tax Tables	√	√	√
Commission Only earners	Tax Tables	√	X	√
Non-standard employment (Casuals, students,scholars etc)	25% or No tax dep on rate & hrs	√	X	X
Independent Contractors	???	X	X	X
Labour Brokers	34% PAYE	X	?	X excluded
Labour only sub-contractors	6% PAYE	?	√	√
Personal Services	Tax Tables?			
Personal Services Trust Tax	33%			
Seasonal	Tax Tables	X	X	X
Domestic	Tax Tables	X	√	X
Learnership	Tax Tables	?	?	?
Other (excludes):			Earnings made up wholly of shares or commission Employees in National & Prov spheres of govern. Employees repatriated at the end of contract of service.	Public Service Employer Employer not registered for PAYE Religious, charitable, or non-profit making organizations

BCEA Earnings (threshold from March 2008) R149 736	
<p>Employees earning above the limit are excluded from the following:</p> <ul style="list-style-type: none"> • Section 9 (Ordinary hours of work); • Section 10 (Overtime); • Section 11 (Compressed working week); • Section 12 (Averaging of hours of work); • Section 15 (Daily and weekly rest period); • Section 17(2) (Night work); • Section 18(3) (Public holidays) 	

Fourth Schedule Remuneration Inclusions	Remuneration Exclusions
<ul style="list-style-type: none"> ▪ Salary ▪ Overtime ▪ Tips ▪ Leave Gratuity ▪ Bonuses ▪ Allowances ▪ Commission ▪ Retirement Payments (incl lumpsums) ▪ Pension Payments (incl lumpsums) ▪ 50% of HOPO and Travel 	<ul style="list-style-type: none"> ▪ Allowances and pensions that fall within the Aged persons, Blind Persons, Disability Grants and Childrens' Acts ▪ Amount paid as reimbursements for expenses you incurred during your course of employments ▪ Any Annuity paid to you under an order of divorce or separation

Leave and Leave Encashment pay (average 13wks/3mths)	Remuneration Exclusions
<ul style="list-style-type: none"> ▪ All general cash payments (regardless of frequency or value) eg: <ul style="list-style-type: none"> ○ Cash element ○ Overtime ○ Commission ○ performance bonuses ▪ Allowances where related to working hours or work performance eg: <ul style="list-style-type: none"> ○ Shift ○ Standby ○ Cell ○ computer ○ Travel Allowance – if for business travel only the 100%, if for 50% business and 50% private, then 50% must be included ▪ Fringe Benefits eg: <ul style="list-style-type: none"> ○ Housing ○ accommodation (the min amount being the value of the benefit to the ee. ▪ Pro-rata of annual payments eg 13th cheque ▪ Company Contributions to MA, Pensions, provident funds, funeral and death benefits ▪ Payments in kind <p>NOTE: Unpaid leave does not include the 3month average!!!</p>	<ul style="list-style-type: none"> ▪ Tool Allowance ▪ Statutory contributions ▪ Entertainment ▪ Education/Schooling allowance ▪ Re-imbusement amounts ▪ Discretionary payments which are not related to working hours or work performance, such as a discretionary profit share or lump sum payments